

BOARD DOCUMENT 07-04

Indiana Board of Accountancy
Minutes of Meeting
Held on
April 20, 2007

Indiana Government Center-South
402 West Washington Street
Conference Room 5
Indianapolis, IN 46204

MEMBERS PRESENT: Cindy Peck, Vice-Chairman
Timothy Deisher
Michael Flowers
Randolph G. Holt
Joseph Higgins

MEMBERS NOT PRESENT: Richard Beuter, Chairman

STATE OFFICIALS PRESENT: James Schmidt, Deputy Attorney General

MINUTES COMPILED AND
TRANSCRIBED BY: Deborah Widemon, Board Director

MINUTE NO. 07-30 CALL TO ORDER AND ESTABLISHMENT OF QUORUM

The meeting was called to order at 10:00 a.m. on April 20, 2007 pursuant to public notice posted at the principal office of the Board at least forty-eight (48) hours prior to the meeting. A copy of the agenda is attached to the minutes and marked as **BOARD EXHIBIT 07-04A**.

MINUTE NO. 07-31 ADOPTION OF THE AGENDA

R. Holt moved to adopt the agenda. J. Higgins seconded the motion. Motion carried.

MINUTE NO. 07-32 ADOPTION OF THE MINUTES FROM THE MARCH 16, 2007 MEETING OF THE BOARD

R. Holt moved to approve the minutes of January 19, 2007 as amended. J. Higgins seconded the motion. Motion carried.

MINUTE NO. 07-33
OLD/ NEW BUSINESS

APPOINTMENT OF QUALITY REVIEW OVERSIGHT COMMITTEE MEMBER

The Board reviewed a list of candidates submitted by the Indiana CPA Society and the Indiana Society of Public Accountants. T. Diesher moved to appoint Earl Elliott, CPA to the Quality Review Oversight Committee with a term that expires June 2008. R. Holt seconded the motion. Motion carried.

STEPHEN C. HAWORTH, ACCOUNTANTS, PC
FIRM PERMIT APPLICATION

The Board reviewed the firm permit application along with the additional correspondence submitted. The Board noted that a firm permit already existed for the same business entity and determined that another firm permit could not be issued.

R. Holt moved to deny the firm permit application. T. Diesher seconded the motion. J. Higgins abstained. M. Flowers opposed. Motion carried.

STEPHEN C. HAWORTH, ACCOUNTANTS, PC, FP59400098
FIRM PERMIT RENEWAL APPLICATION

The Board reviewed the firm permit renewal application along with the quality review acceptance letter and noted that the acceptance letter listed some corrective action and that the letter had not been signed by the licensee agreeing to the corrective action. Jim Schmidt, legal advisor informed the Board that the failure to sign the acceptance letter is contrary to the Standards for Performing and Reporting on Peer Reviews which are incorporated by reference in the accountancy rules.

R. Holt moved to deny the firm permit renewal application. T. Diesher seconded the motion. M. Flowers and J. Higgins opposed the motion. Motion carried.

REVIEW OF CONTINUING PROFESSIONAL EDUCATION AUDITS

The Board reviewed the CPE audits for the following licensees and determined that they were in non compliance for the 2003-2005 CPE reporting period and decided to issue a Notice of Noncompliance with the following terms.

Jean Harvey, PA00015087 – R. Holt moved to issue a Notice of Noncompliance, place the license in a “Conditional” status, assess a civil penalty of \$100.00 and require the make up of four (4) CPE hours none of which can be self study. J. Higgins seconded the motion. Motion carried.

Michelle Hayse, CP10400324 - C. Peck moved to issue a Notice of Noncompliance, place the license in a “Conditional” status, assess a civil penalty of \$170.00 and require the make up of seventeen (17) hours of CPE. M. Flowers seconded the motion. Motion carried.

Mark Perry, CP19400447 - The Board considered Mr. Perry’s request to waive the 50% limitation on self study along with a medical statement supporting his request. R. Holt moved to issue a Notice of Noncompliance, place the license in a “Conditional” status

and require the make up of two (2) hours in Ethics for accountants; and to waive the 50% limitation on self study hours. J. Higgins seconded the motion. Motion carried.

PROJECTS

PROJECT 01-01

RE: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PROFESSIONAL ETHICS EXECUTIVE COMMITTEE

No new information offered. The Board requested that this project be deleted from the agenda.

PROJECT 01-03

RE: POTENTIAL AMENDMENTS TO INDIANA CODE 25-2.1 AND TITLE 872 OF THE INDIANA ADMINSTRITIVE CODE

The Board requested an update on the self study proposed rule.

PROJECT 05-01

RE: CERTIFIED PUBLIC ACCOUNTANT EXAMINTION SITE VISITS

No new information offered.

REQUEST FOR EXENSION OF THE 90 DAY TEMPORARY PERMIT

RE: GREGORY D. SPURLING & ASSOCIATES, PC – FP50200118

The Board reviewed Mr. Spurling's request for an extension of his firm's 90 day temporary permit. J. Higgins moved to grant the firm another 90 day temporary firm permit. T. Diesher seconded the motion. R. Holt opposed. Motion carried.

REVIEW OF TEMPORARY ACCOUNTANCY FIRM PERMITS

The following firms requested and was issued a 90 day temporary permit pending the receipt of the firm's quality review acceptance letter. The Board noted that the 90 day temporary permits had expired and the acceptance letters had not yet been received.

Alex B. Milligan, CPA, FP50200170 – Expired 12/29/06
Brooks Faucett & Roberson, LLP, FP50100032 – Expired 12/29/06
Complete Accounting Services, PC, FP50200197 – Expired 12/29/06
E. L. Beard CPA, PC, FP54900249 – Expired 12/29/06
Ewer and Moritz, PC, FP54900052 – Expired 12/29/06
Foudy & Hale, FP50300049 – Expired 12/29/06
Reedy & Peters, LLC, FP50400094 – Expired 12/29/06
Meador and Company, LLC, FP50500002 – Expired 2/20/07

R. Holt moved to deny the above incomplete firm permit renewal applications. T. Diesher seconded the motion. Motion carried.

MINUTE NO. 07-34

ACTION ON APPLICATIONS - RE: INITIAL APPLICATIONS, RECIPROCITY APPLICATIONS, TRANSFER OF GRADES APPLICATIONS, PROFESSIONAL CORPORATION APPLICATIONS

During the application's committee meeting the Board considered issuance of a license for the above stated applications. J. Higgins moved to accept the applications as indicated on each folder. T. Diesher seconded the motion. Motion carried.

MINUTE NO. 07-35

STANDING REPORTS

BOARD LIAISON TO THE ATTORNEY GENERAL'S OFFICE – MICHAEL FLOWERS

No new information discussed.

INDIANA PROFESSIONAL LICENSING AGENCY – DEBORAH WIDEMON

The Board reviewed and noted the accountancy license count submitted as of April 20, 2007.

ADVISORY COUNSEL – JAMES SCHMIDT

No new information discussed.

MINUTE NO. 07-36

DISCUSSION

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY (NASBA)

-REQUEST FOR NOMINATING COMMITTEE AND BOARD OF DIRECTORS

-VICE CHAIR NOMINATION

-CTRL V RESCORE ISSUE

-2007 EASTERN REGIONAL REGISTRATION INFORMATION

-NOMINATIONS FOR DIRECTOR AT LARGE

- ACCOUNTANCY BOARD OF OHIO – RE: TED LONG

-IDAHO STATE BOARD OF ACCOUNTANCY – RE: GAYLEN HANSEN

-STATE OF COLORADO – RE: GAYLEN HANSON

PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD (PCAOB)

-CHAIRMAN OLSON'S APRIL 4, 2007 COMMENTS BEFORE SEC OPEN MEETING

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (AICPA)

-2008 PRACTICE ANALYSIS

-STANDARDS FOR PERFORMING AND REPORTING ON PEER REVIEWS AND INTERPRETATIONS TO THE STANDARDS

The Board reviewed and noted the above correspondence.

MINUTE NO. 07-37

ADJOURNMENT

There being no further business, the meeting adjourned at 11:30 a.m.

DATE: _____

Cynthia Peck, Vice-Chairman

ATTEST:

Deborah Widemon, Board Director